

WASATCH MOUNTAIN RAILWAY STOCKHOLDERS MEETING: MARCH 13, 1971;

1. Reading of Minutes of Previous Meeting. (Merle)
- ✓ 2. Report on Legislative action and probability of future dealings. (Lowe)
- ✓ 3. Legal Report (Harold Call)
 - ✓ A. Possibility of 25 stockholders
 - ✓ B. By Laws *passed out to us*
 - C. Other
4. Equipment Report and expenditures to date (Ed McLaughlin)
5. Financial report and projection of future (Lowe)
6. Land Acquisition Del Wallengren and Gordon Mendenhall

Vital to form a company:

- 1. Expect Park lease in 30 days-*
- ✓ *2. Leases on Equipment.*
- 3. Property acquisition:*
 - A. Station in Bridal Veil Falls or*
 - B. Vivian Park*
 - C. Near Station:*
Witt, Moulton

4. Equipment in Prior to 1 Apr. 1971

- A. Combination Car in Pocatello, Idaho*
- B. 2 Box Cars — Purdy in S.L. (Ballant Car)*
- C. 1 Flat Car Hillfield (DDU) — Truck in*
- D. 1 65 Ton Engine Hill Field*
- E. 1 Crane in Orem*
- F. 4 12th Street cars (later truck in)*

100 Clarence
100 Duane
4200 Jess
1000 Dad
3000 Green
1000 Don H.

Financial Status of Wasatch Mt. Railway as of March 13, 1971

Amount of money raised to date:

		Pledged	Paid	Due
Lowe Ashton	3	15,000.00	12,000.00	3,000.00
Dr. Raymond Green	6	8,400.00	8,400.00	
Leon Ritchie	3	7,000.00	3,000.00	4,000.00
Dr. Jack Boggess	1	5,000.00	5,000.00	
Del Wallengren	2	6,000.00	2,000.00	4,000.00
Gordon Mendenhall	1	3,000.00		3,000.00
Don Hoggan	1	2,500.00	2,500.00	
Bill Sweeney	1	5,000.00	5,000.00	
Wes Budd	1	5,000.00	5,000.00	
Rod Edwards		<u>4,000.00</u>	<u>3,000.00</u>	<u>1,000.00</u>
Totals		60,900.00	45,900.00	15,000.00

Amount of Money spent on company, as of March 13, 1971: \$19,720.42

Amount of Money in Bank: 26,179.58

Amount available upon payment of all Pledges: 41,179.58

Estimated time until we are able to make a stock issue:

1. Get long term contract worked out with State Park. Estimated time, (Gordon Marmston) 30 days at best. We have to wait for ground to change hands, and Governor must sign.
2. Work up information necessary for Prospectus:
3. Acquire Land Options for Terminals and other properties as their value becomes an integral part of Stock Prospectus
4. Make Long term plans for development which is base for asking for money.
5. Inasmuch as the probable time for item 1 is 30 days, feel that all other items can be done in the 30 days.

Del Wallengrens contact with Legal personall specializing in stock issues: It requires a minimum of three months after stock issue is ready to maximum of six months to acquire adequate amount of capital.

Therefore, we must prepare a budget of operation for from four to six months.

Budget of Expenditures estimated for period required before Stock issue:

A. *Equipment: (see Ed's Breakdown)	High	Low
# 35:	\$5,250.00	4,000.00
#110:	2,050.00	1,200.00
Crane:	1,500.00	1,500.00
Gondola Car (including frieght to Heber	1,500.00	1,500.00
Box Car:	1,500.00	1,700.00
Box Car:	1,500.00	1,700.00
Flat Car:	750.00	500.00
Combine;	500.00	300.00
Total:	14,550.00	12,400.00

*NOTE: This is suggested items of first purchase, felt by management to be the most necessary pieces to purchase in order to get into business this summer on a scenic ride basis. These include acquisition, frieght, and restoration estimates, but cost of seating and other factors could be highly speculative. Delivery to Heber City.

- B. Track Work: Proposed run to Dam only for first summer, no sidings in Canyon, but updating sidings in Yard in Heber, Crossings Signs, working over section from Heber to Charleston bend, shoring up bridges, clearing track of rocks, replacing ballast, ect.

Total: \$5,000.00

C. *Heber Depot and Yard:

* It is suggested that during this first summer we operate only on a single terminal: Heber. Round Trips only between Heber and Deer Creek Dam. Therefore, the potential customers first impression of the Heber City terminal grounds becomes very important: We must consider parking, bath rooms, ticket areas, small office area, work area, concession facilities, land clearance, revenue from existing leasees, how much to compensate Lowe for Land in stock options, ect. Rebuild Platforms, Paint Interior and Exterior, replace windows, new roof, some blacktop, great deal of gravel areas, parking and grading, heat and water, Water tower, New wiring, ect.

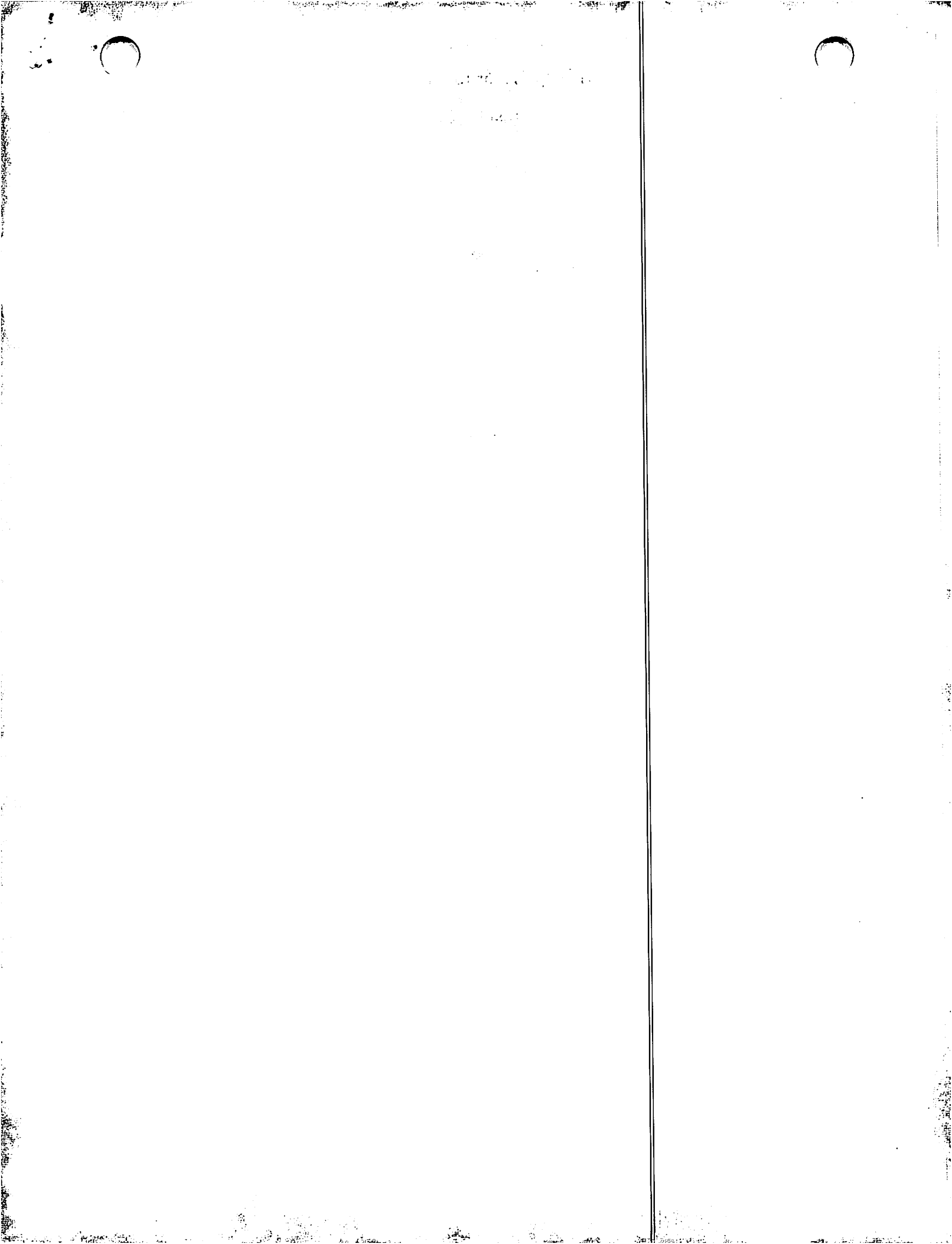
Total Estimate: \$12,000.00

D. General and Administrative costs for four months: six months

Wages for Ed Dennis and Secretary:	\$4,000.00	6,000.00
Telephone	200.00	300.00
Rent:	360.00	540.00
Auto Mileage and Travel expense:	400.00	600.00
Advertising: signs, brochures ect:	2,500.00	2500.00
	7,460.00	9,940.00

Priority:

1. Bldg
2. Water Tower
3. Track
4. Level & Filing



E. Start up costs: Fuel Water, Employee Wages, Uniforms(?)	\$3,000.00
F. Land Acquisition Options and purchases	4,000.00
G. Potential Legal Fees	2,000.00
H. Contingency Factor:	6,000.00

Note: We are carrying a heavy contingency factor to avoid any possibility of going into debt to a point we have a poor credit rating or there is any possibility of running out of money to stop operating.

From these figures, it is apparrent we will require from \$52,000.00 to 56,000.00 as a minimum for operations prior to stock issue. With the known factor that we have available \$40,000.00, this means at a minimum we lack from \$12,000.00 to \$16,000.00 for safety.

Other Considerations:

A. Availability of additional equipment:

1. Engines at Hill Field (see Eds report) \$5,000.00 to \$15,000.00
2. Cars at Hill Field \$100.00 to \$10,000.00
3. Switch engines from Utah Power & Light will not be available for several months if at all.
4. Possibility of bidding on track removal.

B. Old Station Masters Home owned by Mr. Duane Smith. Should we require it to be removed, or buy it from him? Need a place for watchman, and perhaps home for employees (Ed and Dennis at this point)

C. Removal of existing Property Leasees— Mr. Smith, Mr. Barnes, American Oil Standard Oil: Worth as income to property, approx. \$2500.00 per year.

D. Loss of image due to poor public relations, expecting something fancy geting poor feeling of operation could haunt us for years.

THEREFORE: WHAT SHOULD WE DO:???

- A. Stay within existing amount of Money, poorboy it all the way.
- B. Existing Stock Holders put up more money.
- C. Allow new stockholders to put up some money.
- D. Borrow Money.
- E. Combination of above in some manner.